

GOP LEADERSHIP REVERSES ITSELF ON PROTECTING SOCIAL SECURITY

In March, GOP Leadership Pushed Through the House A Budget Resolution That Taps Social Security Trust Fund Every Year For Next 10 Years!!

“Since I’ve been Speaker, we haven’t spent a penny of the Social Security Trust Fund and we don’t intend to.”

Speaker Dennis Hastert, 7/29/01

Over the last four years, one of the major commitments of the House GOP leadership – as illustrated by the Hastert quote above – has been to not spend a penny of the Social Security Trust Fund on other government programs. Indeed, fully protecting the Social Security Trust Fund has been one of the top four commitments of the House GOP leadership, according to their Web site (along with strengthening defense, cutting taxes and improving education).

And yet now the House GOP leadership has pushed through the House a budget – that is very similar to the President’s budget – which calls for tapping the Social Security Trust Fund for other government programs for every year over the next 10 years! And the House GOP budget doesn’t call for only spending “a penny” of the Trust Fund – instead it calls for spending over a trillion dollars of the Social Security Trust Fund on other government programs. In other words, over the next 10 years, the House GOP budget walks away from the plan to set aside the Social Security surplus for paying down the national debt, which would strengthen Social Security’s long-term solvency.

This DPC analysis provides an overview of how the House GOP leadership has reversed itself on the issue of protecting Social Security.

House GOP Leadership Has Repeatedly Promised to Fully Protect Social Security Trust Fund

Following are quotes from the House GOP leadership over the last four years, promising that the Social Security Trust Fund will be fully protected.

1999

“For the first time ever we are going to commit this Congress to lock away surplus money to provide retirement security for our children. The Lock-Box measure would protect Social Security surpluses from being spent on other government programs.”

House Majority Leader Dick Armey, 5/24/99

“Trust must be put back into the Social Security Trust Fund. The Republican Lock Box legislation locks away the entire Social Security surplus and prevents the funds from being spent on other government programs. ... Today we are restoring Americans’ faith and confidence in the Social Security system. It’s a ... promise to current and future generations of retirees: ‘Rest assured; your hard-earned money will be saved for you so that you can enjoy your well-deserved retirement.’”

Majority Whip Tom DeLay, 5/23/99

2000

“I was very pleased today that the House passed the Social Security and Medicare Safe Deposit Box Act. This important legislation will protect every penny of the Social Security and Medicare surpluses. American workers deserve to know that these important programs will be there for them when they retire.”

Speaker Dennis Hastert, 6/20/00

“We have passed our lock-box legislation that underscores our determination to fully safeguard Medicare and Social Security.”

Majority Leader Dick Armey, 7/3/00

2001

“Today the House will pass legislation that creates a lockbox to lock away the Social Security and Medicare surpluses. This lockbox strengthens these two important programs by making sure that money dedicated for Social Security and Medicare is used only for those two programs.”

Speaker Dennis Hastert, 2/13/01

“Since I’ve been Speaker, we haven’t spent a penny of the Social Security Trust Fund and we don’t intend to.”

Speaker Dennis Hastert, 7/29/01

“I think it’s always very important for us to remember that the first thing this Congress did was to continue to keep a firewall between our Social Security and our Medicare trust funds and the rest of the American budget ... so no dime’s worth of Social Security or Medicare money will be spent on anything other than Social Security and Medicare.”

Majority Leader Dick Armey, 6/28/01

“Let me just be very clear on this. The House of Representatives is not going to go back to raiding the Social Security and Medicare Trust Funds.”

Majority Leader Dick Armey, 7/1/01

“This Congress will protect 100 percent of the Social Security and Medicare Trust Funds. Period. No speculation. No supposition. No projections.”

House Budget Committee Chairman Jim Nussle, 7/11/01

Now, House GOP Leadership Has Pushed Through A Budget Resolution That Taps Social Security Trust Fund For The Next 10 Years!!

Despite all of the promises that the House GOP leadership has made over the last four years on protecting Social Security (as reflected in the examples quoted above), in March, the House GOP leadership pushed through the House a budget resolution – based on the President’s budget – that calls for tapping the Social Security Trust Fund for the next 10 years. Following are talking points on this issue.

- The House Republican budget, adopted by the House on March 20 – which is based on and is very similar to the President’s budget – calls for tapping the Social Security Trust Fund to pay for other government programs every year for the next 10 years. Specifically, the House Republican budget calls for tapping a total of \$830 billion of the Social Security Trust Fund over the next five years to pay for other government programs, and a total of over \$1.5 trillion over the next ten years to pay for other government programs. (Although the House GOP budget – as presented by Chairman Nussle – technically only covers five years, its impact over the next ten years has been estimated by the Democratic staff of the Budget Committee.)
- Democrats agree that this year and next the country needs to be spending all that is necessary to win the war on terrorism and fully protect Americans here at home. **However, the House Republican budget fails to provide the country with a road-map of how we can return to fully protecting the Social Security Trust Fund.**
- Instead of providing a road-map of how to get back to fully protecting the Social Security Trust Fund, the House Republican budget is calling for making the situation facing Social Security even worse by calling for additional tax cuts. In other words, having dug the country into a fiscal hole, the House Republicans are proposing to dig the hole even deeper. Indeed, every penny of the Republicans’ additional tax cuts would come directly out of the Social Security Trust Fund.
- Furthermore, the House Republicans are calling for spending the Social Security surplus through FY 2012 – right at the time when we should be preparing for the Baby Boom generation to retire. Indeed, the first of the Baby Boomers will reach the age of 62 in 2008 (only six years from now) and the age of 65 in 2011 (only nine years from now).
- Democrats believe that we need a long-term budget plan that will recover as the economy recovers – returning us to an era where we can fully protect and even strengthen the Social Security Trust Fund.

- The only way to properly prepare for the Baby Boom generation's retirement is to get back to a long-term budget plan that will call for setting aside the Social Security Trust Fund and using the Social Security surplus only for Social Security and paying down the national debt held by the public.